



State of Wisconsin
Department of Workforce Development
Office of Economic Advisors

WORKFORCE OBSERVATIONS FOR MILWAUKEE/WOW COUNTIES

MILWAUKEE, WASHINGTON, OZAUKEE AND WAUKESHA COUNTIES

AUGUST 2005

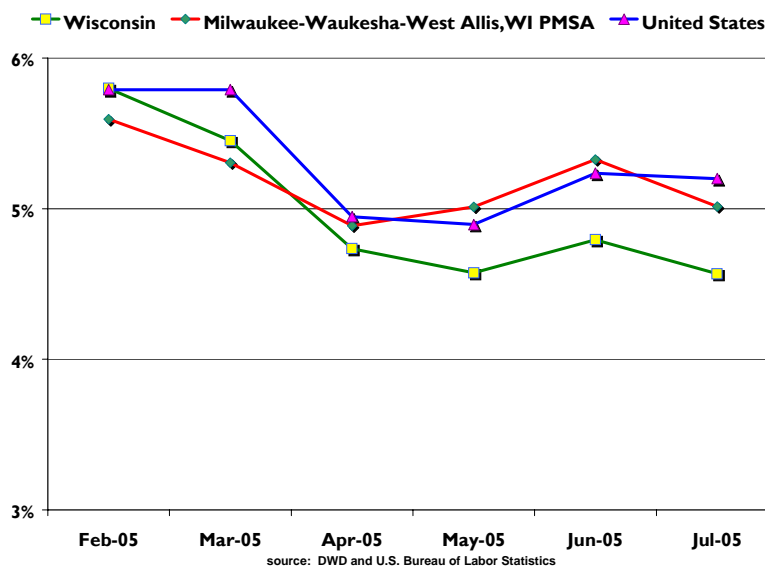
Starting in October 2005, there will only be a quarterly edition of the Workforce Observation. It will review the region's labor market over the previous quarter as well as feature contemporary economic and demographic topics. Monthly workforce data for metropolitan areas is available from the Office of Economic Advisors homepage at http://dwd.wisconsin.gov/oea/xls/wi_msa_quick_table.xls and for non-metropolitan counties at http://dwd.wisconsin.gov/oea/xls/county_quick_table.xls. E-mail alerts will continue for the quarterly publications. Please contact the author if you have questions.

Milwaukee County's unemployment rate dropped two-tenths of a percentage point over the month to 5.9 percent. July's rate was considerably lower, annually, down six tenths of a percentage point com-

pared to July 2004. At this time, Milwaukee County's labor force is about 4,300 participants fewer than last July's measure. There are 3,300 fewer unemployed and 1,000 fewer employed residents.

Washington County's July unemployment rate dropped below the four percent mark to 3.9 percent. This was a monthly decrease of six-tenths of a point. Its current rate is lower compared to last July's by three-tenths of a percentage point.

Six-Month Unemployment Rate Watch



Figures for **Ozaukee County** indicate a July unemployment rate of 3.8 percent, which is a monthly decrease of two-tenths of a percentage point. Ozaukee was the only county in this metropolitan area, and one of 18 counties in the state, to report a rate that is higher compared to July 2004.

Waukesha County's unemployment rate was 3.8 percent in July. It is lower over the month and year by the same figure of four-tenths of a percentage point.

The July employment rate for the **Milwaukee-Waukesha-West**

Civilian Labor Force Estimates for Milwaukee-Waukesha MSA counties: July 2005

	Wisconsin			Milwaukee-Waukesha-WV. Allis MSA			Milwaukee County		
	Jul-05	Jun-05	Jul-04	Jul-05	Jun-05	Jul-04	Jul-05	Jun-05	Jul-04
Labor force	3,081,722	3,092,969	3,115,633	799,141	807,771	805,219	466,939	471,671	471,261
Employed	2,940,972	2,944,691	2,965,065	759,068	764,736	760,798	439,499	442,780	440,500
Unemployed	140,750	148,278	150,568	40,073	43,035	44,421	27,440	28,891	30,761
% Unemployed	4.6%	4.8%	4.8%	5.0%	5.3%	5.5%	5.9%	6.1%	6.5%
	Washington County			Ozaukee County			Waukesha County		
	Jul-05	Jun-05	Jul-04	Jul-05	Jun-05	Jul-04	Jul-05	Jun-05	Jul-04
Labor force	70,957	71,933	71,373	47,954	48,434	47,944	213,292	215,733	214,641
Employed	68,208	68,718	68,364	46,135	46,479	46,240	205,226	206,759	205,694
Unemployed	2,749	3,215	3,009	1,819	1,955	1,704	8,066	8,974	8,947
% Unemployed	3.9%	4.5%	4.2%	3.8%	4.0%	3.6%	3.8%	4.2%	4.2%

Source: U.S. Bureau of Labor Statistics and DWD, Local Area Unemployment Statistics. Figures are not seasonally adjusted and current month's data are preliminary

Industry Employment Estimates for the Milwaukee-Waukesha MSA: July 2005

Place of Work Employment in 1,000's	Wisconsin			Milwaukee - Wauk - W.Allis MSA		
	July 2005	Change since June 2005	Change since July 2004	July 2005	Change since June 2005	Change since July 2004
All Industries	2,844.1	-25.2	19.9	841.2	-12.7	9.0
Construction/Natural Resources	149.7	2.3	6.6	38.7	0.4	2.6
Manufacturing	511.9	4.0	3.2	135.8	-0.5	1.3
Retail Trade	316.2	1.3	-1.6	82.0	0.2	-1.3
Wholesale Trade	119.2	-0.1	3.0	40.1	-0.2	1.0
Transport/Warehouse/Utilities	106.5	-2.3	0.6	29.1	-1.5	-0.3
Financial Activities	159.7	0.2	1.0	56.8	-0.1	-1.2
Education and Health Services	376.4	-3.2	2.7	133.8	-0.1	3.2
Leisure and Hospitality	274.4	2.7	1.9	70.4	0.5	0.9
Info./Prof./Bus.and Other Services	446.4	0.2	3.2	171.4	-1.2	3.5
Information	50.1	-0.8	0.4	18.2	0.0	-0.2
Professional and Business Services	259.4	1.2	3.2	111.8	-1.3	4.4
Other Services	136.9	-0.2	-0.4	41.4	0.1	-0.7
Fed/State/Local Government	383.7	-30.3	-0.7	83.1	-10.2	-0.7

Source: U.S. Bureau of Labor Statistics and DWD, Current Employment Statistics. Figures are rounded and may not sum to total. Current month's figures are preliminary

Allis MSA was 5.0 percent, which on a monthly basis, was lower by three-tenths of a percentage point. The annual picture shows that the latest unemployment rate is one-half a percent point lower than last July's with 4,350 fewer unemployed residents. At the same time, there were also more than 1,700 fewer employed for a total labor force decrease of close to 6,100 metro area participants. To date, every month since February 2004 has displayed an annual decrease in the metro area unemployment rate.

The July 2004 nonfarm wage and salary industry employment estimates show a total of 841,200 jobs in the four-county MSA. This total represents a 12,700-job net decrease, which was centered in a 10,200-job decrease in government employment. More specifically this government employment decrease reflected a seasonal drop of school faculty and staff via the summer break.

The remaining industries in the MSA showed a mixed results over the month. Three industry sectors showed noteworthy job gains: leisure and hospitality (+500 jobs), construction (+400 jobs), and retail trade (+200 jobs). Industries showing the more significant

job losses over the month were transportation, warehousing and utilities (-1,500 jobs), professional and business services (-1,300 jobs), and manufacturing (-500 jobs). The decrease in transportation, warehousing and utilities employment was also closely tied to the end of the school year. It mainly represented the summer break from transporting children to and from school. The job decreases in manufacturing and professional business services were quite seasonal, too. Noteworthy is the fact that the monthly decrease in manufacturing was much smaller than is usual between these two months. It is usually double to quadruple of this latest change, and in general, June to July is a volatile period for manufacturing employment.

The metro area job market from the annual perspective is also a bit mixed in its performance, though overall it has maintained growth. The largest annual employment gain in percentage terms continues to be in construction, which has seen employment growth of over seven percent. It has gained 2,600 jobs. The industry with the largest volume gain of jobs is professional and business services, which has added 3,500 jobs compared to last July. Education and

health services showed the next largest volume gain adding 3,200 jobs, annually. Manufacturing employment has increased by 1,300 jobs. And the leisure and hospitality sector added 900 jobs.

There were some industries that have annually decreased in employment. The largest job decline measured in July was a 1,300 job decrease in retail trade, which has maintained an annual deficit at this level for a number of months.. Financial activities employment is lower by 1,200 jobs compared to last July and it, also, has remained at this level of deficit for most of the months in 2005. It is not believed that reduced financial activities employment is a sign of this sector softening, but rather a sign of it "cooling off" from its quick employment growth over the last few years.

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